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clarifying the concept of sustainable procurement practices on the organizational performance. The study adopted descriptive survey research design focusing on Kenya Pipeline Company headquarters. The target population was 430 employees of Kenya Pipeline Company Limited in the departments of which includes customer relations, ICT, internal audit, supply and logistics, administration, quality control, health safety and environment, maintenance and operations departments. The study adopted cluster and stratified random sampling technique. The sample size was calculated by use of Taro Yamane's formula giving a sample size of 205 respondents and finally proportionally allocated to the strata's. The data collection instrument was questionnaire which was designed using 5point likert scale. The instruments were tested for validity to enhance credibility of data by consulting the supervisor. Reliability was achieved by pre-testing of the instrument at Kenya Power and Lighting Company headquarters in Nairobi where twenty one questionnaires was administered. Cronbach's alpha coefficient was used to ascertain whether the instrument meets the threshold of 0.7 or above for reliability. Data was analyzed by use of both inferential statistics which included multiple regression and correlation while descriptive statistics were means, frequencies and standard deviations using SPSS version 20. The study findings indicated that supplier development has a positive and significant effect on organizational performance at Kenya pipeline ($p < 0.05$). The study concluded that ethics in procurement plays an important role and are considered more important as technology and consumer behaviors change. The study recommended policy-makers to come up with policies that strengthen the adoption of sustainable procurement practices as enshrined in the public procurement act.

Abstract

Many modern organizational performances are faced with numerous challenges such as illegal and unethical behavior in a number of business transactions. The purpose of this study was to establish the effect of supplier development on organizational performance at Kenya pipeline. The study was grounded on Institutional and Stakeholders theories in

1.0 Background of Study

Organizational performance is a multidimensional concept, and wise managers rely on multiple measures of performance when gauging the success or failure of their organizations (Lee & Wong, 2015). The balanced scorecard provides a tool to help executives gain a general understanding of their organization's current level of achievement across a set of four important dimensions. The triple bottom line provides another tool to help executives focus on performance targets beyond profits alone; this

approach stresses the importance of social and environmental outcomes (Trkman, 2013).

Globally procuring organizations and other supply chain partners are more seriously involved in designing and implementing sustainable procurement practices which are in tandem with sustainable development pillars (Kalubanga, 2012). This justifies more than ever the strategic role of purchasing and supply as a precursor of sustainable development and its indispensability in achieving high organizational performance. This argument is corroborated by Mazharul, Abalala and Azharul

(2017) who opines that sustainable procurement practices can transform markets, save money, enhance financial viability, increase the competitiveness of eco-industries, protect natural resources, and foster job creation which precipitates organization performance and in turn sustainable development.

Sustainable procurement is not simply about being “green” but socially and ethically responsible purchasing which minimizes environmental impact through the whole process of supply chain, delivering economically sound solutions as well as always ensuring good business practice (Chartered Institute of Purchasing & Supply, 2014). Therefore it can be presumed that organizations practicing sustainable procurement are inclined towards maximizing net benefits for themselves and the society at large. This calls for the integration of extrinsic cost considerations into the conventional procurement principles of price and quality. Sustainable procurement practices outcomes resonates with Triple-P (People, Planet, and Profit) accounting framework or triple bottom line which goes beyond the traditional measures of organization performance but a balance of economic, social and environmental sustainability that should be considered in harmony (Slaper & Hall, 2011; Nyile & Shale, 2016). This is against the grains of limiting Organizational Performance over time to economic outcomes with dimensions ranging from profitability, liquidity, growth and stock market performance at the expense of environmental and social outcomes.

Sustainable procurement practice has been studied across countries (Brammer & Walker, 2011). In the US sustainable supply chain management has enabled Wal-Mart to reduce its operating costs through waste reduction, streamlining business processes and long-term planning for its employees and the community at large to become the world’s largest retailer (Walmart.com, 2012). Several studies on the status of Sustainable Procurement practices in developing countries point a bleak future for success (Obicci, 2017). In Saudi Arabia regardless of the ownerships and types of organizations, the current state of sustainable procurement practices seems overly negative, and the attitudes of top management as well as the cultural aspects of the organizations pose the main barriers (Mazharul et al, 2016).

Regionally for example in Uganda, there has been less attention (if any) in investigating how the practice should be prioritized for optimization of business value creation (Kalubanga, 2012). There is

strong negative impact on the exploitation level of many public sector organizations when it comes to putting into good use sustainable procurement practices (Obicci, 2017). Kingori and Ngugi (2014) opine that in Kenya there have been increased cases of short term view in the procurement function through action such as improper disposal of waste products, operations of the government suppliers in unsafe environment and also in some cases the use of child labor in the production process and this calls upon the State Corporations to embrace procurement sustainability in their operations to enhance their performance.

In Kenya many State Corporations procurement performance do not fully comply with the procurement regulations which advocates for sustainable procurement practices which leads to their poor performance (Njogu & Gichinga, 2016). Kenya Pipeline Company a state corporation has faced a fair share of challenges in its quest to ensure efficient distribution of oil products in Kenya (Matiti, 2012). However an efficient and cost effective petroleum supply chain is necessary owing to the demands of a growing economy achievement of Vision 2030 and that is why early attention to the petroleum supply chain problems and increased performance of the sector is needed (wachira, 2010). The Kenya pipeline vision 2025 is anchored around five pillars business leadership, geographical expansion, people, systems and processes, image and reputation however the organization laments potential risks as changes in petroleum supply chain, ethics and behavior environmental hazard, poor compliance to regulations (Kenya Pipeline Company, 2015). All these aforementioned potential risks calls for the adoption of sustainable procurement practices to enhance its performance.

Statement of the Problem

State corporations spend up to 70% of their revenue budget on public procurement as they are considered to be very instrumental in the development of the Kenyan economy since they accounts for 9- 11% of the GDP (Malela, 2010; Kamotho, 2014). In this regard the contribution of a sustainable public procurement in state corporations to Kenya’s socioeconomic development and particularly a precursor of Vision 2030 cannot be gainsaid. To enhance their performance, the corporations are guided by public procurement and asset disposal Act, 2015; government policies, rules and regulations in conducting their procurement activities (Osir, 2016).

However, the state corporations in which Kenya pipeline is not an exception have been underperforming economically, socially and environmentally owing to their non-compliance with sustainable procurement practices enshrined in the public procurement and asset disposal act 2015 which has invoked complaints amongst stakeholders (Chimwani, Iravo & Tirimba, 2014; Mokogi, Mairura & Ombui, 2015; Osir, 2016). Kenya pipeline has been a victim of poor performance based on unsustainability indicators (Matiti, 2012; Amina, 2017; Mayi, Oginda & Oteki, 2016; Odhiambo, 2016; Wanjala, 2018). Therefore strict adherence to Sustainable procurement practices throughout the procurement process is not an option but a necessity if Kenya pipeline is to help in achieving the pillars of strategic development goals through its performance.

Most studies regarding sustainable procurement practices have concentrated on overseas countries which have fully embraced sustainable procurement practices therefore the concept is still an emerging issue in majority of African countries (Njoora & Noor, 2017; Obicci, 2017). Besides sustainable practices are evident in public sector procurement practice and the extent and nature of sustainable procurement practices varies significantly across regions (Brammer & Walker, 2011).

This has invoked the need to fill in the existing gap in literature by assessing the effect of sustainable procurement practices on organization performance at Kenya pipeline the Kenyan context.

Study Objective

To assess the effect of supplier development on organizational performance at Kenya pipeline Nairobi

Research Hypothesis

H₀₁: Supplier development does not significantly affect organizational performance at Kenya pipeline

Literature Review

Institutional Theory

The proponent of institutional theory is William Richard Scott in 1930 as cited in (Frazer & Lawley, 2012). Institutional theory has been applied ever since 1930 Mutambuki, (2011) in understanding the response of the firm to increasing pressures for management of the environment. Due to increased public awareness of organizational failure and environmental demands, institutional theory recommends that companies can only gain

legitimacy through reduction of their environmental impact and being socially responsible (Carroll & Shabana, 2010). Institutional pressure has led firms to adopt sustainable procurement practices. They can be; conformance to environmental strategies that complies with regulations and adopting industry standards, or reducing the environmental impact of operations beyond regulatory requirements (Graham, 2013).

Firms can create good relationships with regulators by participating in government sponsored voluntary program which develops a voluntary agreement between government agencies and firms hence encourage technological innovation and reduction in pollution (De Giovanni & Esposito Vinzi, 2012). Companies can also work with their customers as well as their suppliers to improve their environmental performance through exchange of ideas/information, suggestions and correction (Njoora & Noor, 2017). Meyer and Rowan (2008) on Institutional Theory argue that the institutional environment strongly influences the development of formal structures in an organization more than market pressures. To improve efficiency in organizations, innovative structures are legitimized. Ultimately these innovations reach a level of legitimization where failure to adopt them is seen as "irrational and negligent. Here, new and existing organizations will embrace the structural form even if it does not boost efficiency. This means that the institutional myths are ceremoniously accepted so that organizations maintain legitimacy in the institutional environment with vocabularies of structure such as job titles, procedures and roles.

Effect of Supplier Development on Organizational Performance

Supplier development was defined as any effort of a buying firm on a supplier to increase the performance and capabilities of the supplier to meet the buying firm's short and /or long term supply needs (Govindan, Kannan & Noorul Haq, 2010). A number of studies have described strategies that buying firms should adopt in order to improve the rate of supplier performance (Yegon & Lagat, 2015). Previous researchers described activities that take place within the context of supplier development. These activities include introducing competition into the supply base, supplier evaluation as a prerequisite to further supplier development activities, raising performance expectations, recognition and awards, the promise of future benefits, training and education of the supplier's personnel, exchange of personnel between the

buying firm and the supplier, and direct investment in the supplier by the buying firm (wachira., 2010). The purchasing literature has stressed the importance of supplier development in supporting a firm's operations strategy by ensuring that suppliers' performance and capabilities meet the needs of the buying firm (Yegon & Lagat, 2015).

Previous studies have convergent views on the influence of supplier development on organization performance. For instance, Wachiuri and Oballah (2015) investigate the role of supplier development on organizational performance of manufacturing industries with specific reference to East Africa Breweries Limited in Kenya (EABL). The specific objectives are to; establish the role of training suppliers, the role of rewards, and the role of financial support and role of firm involvement on organizational performance of EABL: A descriptive case study design was used. Statistical analysis was carried out using SPSS. The study reveals that rewards, financial support and firm involvement have a great role in the performance of EABL.

Yegon and Lagat (2015) also investigated the effect of supplier development on buyer performance. A survey of sugar milling firms in Western Region of Kenya. Explanatory Research design was utilized to explain the cause effect relationship between supplier development and buyer performance. A sample of 88 top level purchasing and marketing executives was selected through purposive sampling technique. Data from respondents were analyzed using correlation analysis and multiple regressions. The study finds out that supplier technical support and supplier financial support has positive effect on buyer performance. Lukhoba and Muturi (2015) also examine the effect of supplier development on supplier performance in food manufacturing companies in Kisumu County. The study focuses on the specific objectives of analyzing four methods of supplier development, which are: early supplier involvement, financial support, supplier training and supplier incentive in food manufacturing industries. Data was collected using secondary and primary sources. Primary data was collected using questionnaires which were employed to collect quantitative data in an attempt to answer the research questions. Descriptive statistics was used to analyze the data. The data was analyzed and presented in form of Tables and pie charts. Results reveal that early supplier involvement, financial support, supplier training and supplier incentives have a positive effect on supplier performance.

Ochieng (2014) determined the role of supplier development in procurement effectiveness in terms

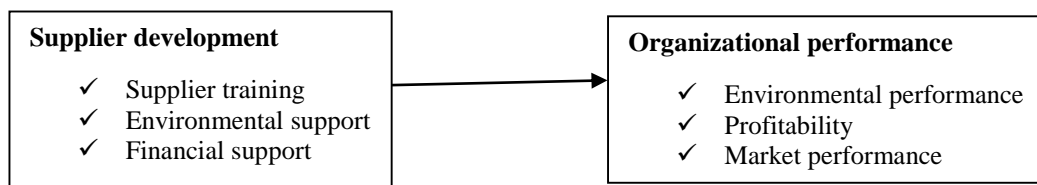
of first time quality, delivery and order cycle time, cost and technology at the National Cereal and Produce Board. Simple random sampling technique was used to select fifty (50) respondents. Data were analyzed with the aid of correlation analysis and multiple regressions. Results show that information exchange, suppliers understanding of goals, suppliers' participation and buyers' coordination had had very good impact on procurement function. However supplier participation was found to be more significant followed by buyer coordinator presence, information exchange and supplier understanding of goals. Kamau (2013) also examines the relationship between Buyer-supplier relationships and organizational performance among large manufacturing firms in Nairobi, Kenya concluded that buyer-supplier relationships had assisted the large manufacturing companies to enhance the performance of their organizations.

Ondiek and Odera (2012) reported that the buying firms' success varied and those who were satisfied with their supplier development efforts appeared to communicate more effectively with suppliers, put more efforts into such activities as supplier evaluation, supplier training and supplier award programs than those less satisfied firms. Osir (2016) also found that the majority of buying firms involved in supplier development perceived their suppliers as partners and placed a greater emphasis on some critical elements than those firms who were not involved. These critical factors, which have been defined as infrastructure factors, included effective two way communication, top management involvement, cross functional teams and larger purchasing power. Ondiek and Odera (2012) further developed and validated a set of measures of the antecedent factors of supplier development and used these to test a structural model that postulated the interrelationship among these variables. He found that the buying firm's propensity to engage in supplier development was affected by its perception of supplier commitment, its expectation of relationship continuity and effective buyer supplier communication. This research should therefore provide additional evidence for supply managers to take into consideration supplier development strategies that improve supplier performance.

Conceptual Framework

The conceptual framework normally shows the relationship between the independent variable and the dependent. The independent variable for this study is supplier development while the dependent

variable is organization performance (Kannan & Tan, 2009).



3.0 Research Methodology

Research Design

The study adopted a descriptive survey design based on samples drawn from Kenya pipeline headquarters. This design enabled the researcher to get a larger population hence a reasonable sample size. According to Bryman and Bell (2015) Survey method is a popular and common strategy in business research. It enabled large amount of data to be collected from an ideal population and in a highly economical way. This design minimized bias and maximize reliability of the data collected and also responded adequately to the objectives of the problem studied, it yielded maximum information to

answer the research questions and finally conform to time, resources and skills availability of the researcher.

Population of the study

According to Mugenda and Mugenda (2012) a population is a complete set of cases, objects or individuals with some common characteristics that are observable. The target population was 420 employees from Kenya pipeline headquarters. Amongst the targeted population, Customer relations 24, ICT 10, Internal Audit 17, Supply and logistics 52, Administration 87, Quality Control 24, Health Safety and Environment 22, Maintenance and Operations 184.

Table 3.1 Accessible Population

Departments	Population
Customer relations	24
ICT	10
Internal Audit	17
Supply and logistics	52
Administration	87
Quality Control	24
Health Safety and Environment	22
Maintenance and Operations	184
Total	420

Source (KPC, 2018)

Sampling Frame

According to Bryman (2016) a sample frame is a source list from which the sample is to be drawn; it contains the names of all items of a given population. The sampling frame consisted of Kenya pipeline headquarters where the study sample was drawn from the Customer relations, ICT, Internal Audit, Supply and logistics, Administration, Quality Control, Health Safety and Environment, Maintenance and Operations departments.

Sample and Sampling Technique

A sample size refers to the number of people in the respondent group determined by the scope of the research (Denscombe, 2014). The study adopted a cluster and stratified random sampling technique. This sampling technique aims at selecting groups that display variation on a particular phenomenon (Denscombe, 2014). In this case, deports serve as clusters, Departments formed stratum from which random sample within these groups was being selected. The size of each group determined through proportional allocation. The method involves selecting at random from a list of the population (a sampling frame) the required number of participants

(Stehman, 2012). Therefore 205 respondents were selected for a sample for this study. The sample proportions from each company were determined by use of Taro Yamane cited in (Etuk & Akpabio, 2014) .

$$n = \frac{N}{1 + Ne^2}$$

Where:

n = Sample size

N = Population size

e = the error of Sampling

This study allowed the error of sampling on 0.05.

Thus, sample size was as follows:

$$n = \frac{420}{1 + 420 \times 0.05^2}$$

= 204.8780

The sample size was distributed according to Neyman allocation formula (Stehman, 2012). The purpose of the method is to maximize survey precision, given a fixed sample size. With Neyman allocation, the best sample size for stratum h would be:

$$n_h = \left(\frac{N_h}{N} \right) n$$

Where,

n_h - The sample size for stratum h,

n - Total sample size,

N_h - The population size for stratum h,

N - The total population

Hence, distribution was as follows; the respondents were selected using simple random sampling.

Table 3.2 Target Population

Departments	Population	Sample size
Customer relations	24	12
ICT	10	5
Internal Audit	17	8
Supply and logistics	52	25
Administration	87	42
Quality Control	24	12
Health Safety and Environment	22	11
Maintenance and Operations	184	90
Total	420	205

Source (KPC, 2018)

Data Collection Instruments

A structured and pre-tested questionnaire based on the specific objectives was used to gather primary data both quantitatively and qualitatively. A pre-test of the questionnaire was conducted after which corrections was made on wording, layout, sequencing and validity of the questions, the final draft of the questionnaire was finalized and disseminated (Mathiyazhagan & Nandan, 2010). A five point attitudinal scaling was used to measure levels of attitude towards questions involving both open and closed ended questions. The items adopted a 5 point Likert Scale (1-Strongly disagree, 2-Disagree, 3-Uncecided, 4-Agree and 5-Strongly agree).

Data Collection Procedure

The data collection procedure refers to the method of administering the data collection tool (Palinkas, Duan & Hoagwood, 2015). The primary data was collected through the questionnaires which were

administered after obtaining permission from respective companies through research assistants. Questionnaires were administered through the use of research assistants. While interviews was conducted after booking an appointment with the chief executive officers of these company.

Pretesting of Research Instruments

Pretesting of Research Instruments was done at Kenya Power and Lighting Company headquarters in Nairobi. Mugenda and Mugenda (2012) recommend a sample size of over 10% as being good. In this study the researcher adopted 10% of the sample size which was 21 respondents. Levac, Colquhoun and O'Brien (2010) describes pilot test as a procedure that is administered by a researcher with an aim to test the efficacy of a research instrument just prior to the actual research study. In this context therefore tests of sound measurement was performed on the research tools. These tests of

sound measurement comprised of validity, reliability as explained in detail as follows:

Validity of Instruments

Validity is described as the extent to which the research findings accurately reflect the phenomena under study (Girden & Kabacoff, 2010). The internal validity was used to show to what extent the collection and analysis and interpretation of data relates with the research variables. The content validity was achieved by ensuring relevance of the research results with theoretical approaches and literature reviews (Bryman, 2016). To ensure content validity, the researcher reviewed the literature in order to identify the items required to measure the concepts, for example, whole life costing, supplier development, supplier commitment, Ethical practices and Organization performance. The questionnaire was then given to the supervisor who read and analyzed it to see whether the questionnaire make sense (Bryman & Bell, 2015). Validity was also achieved through adoption of pretested constructs in the questionnaires and training of the research assistance on administration of questionnaires used in data collection. Careful sampling of items was also ensured for their representativeness.

Reliability of Instruments

Reliability is the absence of differences in the results if the research is repeated (Girden & Kabacoff, 2010). The researcher operationalizes reliability as credibility, accuracy, and consistency of the data collected and the results presented. In this study, reliability was determined by use of internal consistency technique. The rationale for internal consistency is that the individual items should all be measuring the same constructs and thus correlates positively to one another. Internal consistency was measured through Cronbach's coefficient alpha. The test of reliability was calculated using the SPSS (Statistical Package for Social Science). The Cronbach's alpha coefficient ranges between 0 and 1 (Moghaddam, Nakhaee, Sheibani, Garrusi & Amirkafi, 2012). Higher alpha coefficient values means that scales are more reliable. As a rule of thumb, acceptable alpha should be at least 0.70 or above (Husna & Retneswari, 2009; Taber, 2017)

Data Processing and Analysis

The questionnaires was edited and coded to improve the quality of data. The process of editing will involve going through the questionnaires to find out if the respondents have answered the questions and

whether there is a blank response. Data was analyzed using descriptive statistics namely frequencies, percentages and means to provide simple summaries about the sample and about the observations that have been made. Inferential statistics such as multiple regressions was used to determine the effect of a set of independent variable (Ethical procurement, Whole life cost, supplier development and supplier commitment on dependent variable (Organization Performance) and infer causal relationships between the independent and dependent variables. Coefficient of correlation was used to quantify the direction and strength of the linear association between the variables. The Statistical Package for Social Sciences (SPSS) version 20.0 package. The regression model is as follows:

$$y = \beta_0 + \beta_1 x_1 + \epsilon \dots \dots \dots \text{Equation 3.1}$$

Where y is Organizational performance, independent variable x is represent supplier development, β is the standardized regression coefficient.

X_1 represent supplier development

B_0 represent is a constant

ϵ represent error term

4. Data Analysis, Results and Discussions

Response Rate

Response rate is the number of people who answered the survey divided by the number of people in the sample (Nulty, 2008). The respond rate for this study was 95.6% because out of 205 questionnaires were distributed 196 were returned to the researcher. This percentage was considered sufficient for this study. The 4.4% who never returned the questionnaires claimed that they busy and therefore lacked time to fill the questionnaires.

Gender of the Respondents

The study sought to establish the gender of the respondents employed in Kenya Pipeline Company limited. Table 4.1 presents the results gender of respondents. It was evident from the findings of the study that most of the respondents who participated in the study were male as represented by 102 (52.0%) of the respondents. The rest 94(48.0%) were female an indication that both gender was well represented in the study. However, the study also indicated that most employed people in Kenya Pipeline Company limited were male depending on the kind of the job of the company.

Table 4.1 Gender of the Respondents

Gender		Frequency	Percent
Valid	Male	102	52.0
	Female	94	48.0
	Total	196	100.0

Age bracket of respondents

The study sought to find the age bracket which is most involved in sustainable procurement practices at Kenya Pipeline Company limited. The respondents were asked to indicate their age bracket. They were provided with options to choose from. Table 4.2 shows the results on Age bracket of respondents. The study findings indicated that that

20 (10.2%) of the respondents had less than 25 years, 82(41.8%) of the respondents were of the age 26-30 years, 83 (42.3%) were between 31-35 years and 11(5.6%) were of 36 years and above. This implies that majority of respondents who worked in Kenya Pipeline Company limited were of age between 31-35 years. However, all age brackets were represented in the study hence there was no biasness.

Table 4.2 Age Bracket of Respondents

Age bracket of respondents		Frequency	Percent
Valid	Less than 25years	20	10.2
	26-30 years	82	41.8
	31-35 years	83	42.3
	above 36 years	11	5.6
	Total	196	100.0

Education Level

The study sought to establish the level of education of the respondents employed in Kenya Pipeline Company limited. The findings as illustrated in Table 4.3 above show that 21(10.7%) of the respondents had a college level, 170(86.7%) were

degree holders and 5(2.6%) were masters holders. This gives an indication that all the respondents were well educated to give reliable information. Also the study implies that most employed in the company had a degree.

Table 4.3 Education Level

Education Level		Frequency	Percent
Valid	College	21	10.7
	Degree	170	86.7
	Masters	5	2.6
	Total	196	100.0

Duration in Years Worked by the Respondents

The researcher sought to establish the duration in years worked by the respondents in the company. The findings as shown in Table 4.4 above show that 74(37.8%) of the respondents had worked for less than 5 years, 59(30.1%) had worked for 6-10 years,

62(31.6%) had worked 11-15 years and 1(0.5%) had worked for more than 15 years. This is an indication that the respondents had experience in the company hence had knowledge on procurement practices carried out the company.

Table 4.4 Years Worked

Years Worked		Frequency	Percent
Valid	Less than 5 years	74	37.8
	6-10 years	59	30.1

11-15 years	62	31.6
above 15 years	1	.5
Total	196	100.0

Descriptive Findings and Discussions

This section described the descriptive findings and discussion of study objectives. The first objective was effect of ethical procurement on organizational performance at Kenya pipeline. It was followed by effect of reduced whole life costing on organizational performance at Kenya pipeline, effect of supplier development on organizational performance at Kenya pipeline and effect of supplier commitment on organizational performance at Kenya pipeline

Supplier Development

The study intended to determine the effect of supplier development on organizational performance at Kenya Pipeline Company limited. The study results were presented in Table 4.7. The respondents' views on effect of supplier development on organizational performance at Kenya Pipeline Company limited showed that for the statement of suppliers need to be trained on sustainable procurement majority of respondents agreed with the statement (Mean =4.33; Std.Dev=1.365). For the statement suppliers are supported financially so as to procure majority of respondents agreed (Mean =4.18; Std.Dev=1.35). For the statement that organization sets and communicates challenging performance goals to suppliers majority of respondents agreed (Mean =3.94; Std.Dev=1.487). For the statement of

suppliers are frequently assessed to improve on their performance respondents agreed (Mean =4.08; Std. Dev=0.925) and for the statement that organization uses competitive bidding majority of respondents agreed with the statement (Mean=4.12; Std. Dev=1.379).

The study findings indicated that majority of the respondents strongly believe that supplier development has a positive effect on organizational performance at Kenya pipeline. This can therefore be concluded that Suppliers need to be trained on sustainable procurement and supported financially so as to procure materials which are environmentally friendly. The organization sets and communicates challenging performance goals to suppliers who are frequently assessed to improve on their performance by using competitive bidding. This implies that a well- designed supplier development program, ultimately leads to a better overall supplier relationships.

The study findings concur with Yegon and Lagat (2015) who investigated the effect of supplier development on buyer performance. A survey of sugar milling firms in Western Region of Kenya. Utilized Explanatory Research design to explain the cause effect relationship between supplier development and buyer performance. The study which found out that supplier technical support and supplier financial support has positive effect on buyer performance.

Table: 4.5 Effects of Supplier Development on Organizational Performance

	N	Mean	Std. Dev	Min	Max
Suppliers need to be trained on sustainable procurement	196	4.33	1.365	1	5
Suppliers are supported financially so as to procure materials which are environmentally friendly	196	4.18	1.35	1	5
The organization sets and communicates challenging performance goals to suppliers	196	3.94	1.487	1	5
Suppliers are frequently assessed to improve on their performance	196	4.08	0.925	1	5
The organization uses competitive bidding	196	4.12	1.379	1	5

Organizational Performance

The researcher sought to establish the organizational performance at Kenya Pipeline Company limited.

Table 4.6 shows the results on organizational performance at Kenya Pipeline Company limited. The respondents' views on organizational performance at Kenya pipeline showed that for the statement that appropriate procurement practices increases profitability of the organization majority of respondents agreed (Mean=3.84 Std. Dev=0.955). For the statement that more saving are made by the organization through sustainable procurement majority of respondents agreed (Mean= 3.77: Std. Dev= 1.218). For the statement that through

sustainable procurement the level of output is increased majority of respondents agreed (Mean =4.076: Std. Dev=0.99). For the statement that through sustainable procurement practices there has been high sales volume majority of respondents agreed (Mean= 3.688: Std. Dev=1.336) and for the statement that the organizations operations have had little impact on the environment majority of respondents agreed (Mean=4.01: Std. Deviation of 0.804).

Table 4.6 Organizational Performance

	Total	Mean	Std. Deviation	Minimum	Maximum
Appropriate procurement practices increases profitability	196	3.8418	0.95568	1	5
More saving are made by the organization through sustainable procurement	196	3.7653	1.21783	1	5
Through sustainable procurement the level of output is increased	196	4.0765	0.9919	1	5
Through sustainable procurement practices there has been high sales volume	196	3.6888	1.33592	1	5
The organizations operations have had little impact on the environment	196	4.0102	0.80377	2	5

Inferential Findings and Discussions

In this section correlation and multiple regressions analysis was done. First, the relationship between each of the sustainable procurement practices variables (ethical procurement reduced whole life costing, supplier development, and supplier commitment) and organizational performance were examined. This was followed testing the effect of independent variables sustainable procurement practices on dependent variable organizational performance using regression models.

Correlation Analysis

Correlation analysis was done to check the linearity of variables. The correlation analysis results were shown in Table 4.7. The coefficient values for correlation (r) are considered weak correlation when they range from 0.10-0.29, considered moderate when range from 0.30-0.49 and considered strong when it ranges from 0.5-1.0 (Wong & Hiew, 2005). The study findings indicated that supplier development was moderate positively and statistically significant ($r=0.363$, $p<0.05$) correlated to organizational performance.

Table 4.7 Correlations Analysis between the Dependent and Independent Variables

		Supplier Development	Organizational Performance
Supplier Development	Pearson Correlation	1	
Organizational Performance	Pearson Correlation	.363**	1

Overall Regression Analysis

The regression model shows the relationship between dependent variable and independent variables (Cohen, West & Aiken, 2014). In this study the researcher sought to determine the relationship between ethical procurement, reduced

whole life costing, supplier development, and supplier commitment and organizational performance.

The results are shown in Table 9, Table 10 and Table 11. From Table 4.13 $R^2 = 0.227$ indicated the

variation of the dependent variable (organizational performance) in respect to the changes in the independent variables (ethical procurement, reduced whole life costing, supplier development, and supplier commitment). This implies that from the regression model it's indicated that the independent

variables explain 22.7% of the variation in the dependent variable. This implies that 22.7% changes in organizational performance of Kenya Pipeline Company limited were as a result of sustainable procurement practices.

Table 4.9 Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.477 ^a	.227	.211		.67997

The ANOVA Table 4.10 for the regression indicated that the results computed using the regression model were significant ($F=14.062$, $p<0.05$) meaning that the regression model was significant. This means that at least one of the independent variables is a

significant predictor of the dependent variable. The regression model findings gave an implication that sustainable procurement practices is a significant predictor of organizational performance.

Table 4.10 ANOVA

Model		Sum of Squares	Df.	Mean Square	F	Sig.
1	Regression	26.007	4	6.502	14.062	.000 ^b
	Residual	88.311	191	.462		
	Total	114.319	195			

Using a significance level of 5%, any variable having a significant value greater than 5% is not statistically significant. From the data above it is clear that all the four variables were statistically significant. The interpretation of the findings is shown in the following regression models.

$Y = 1.163 + 0.207X_3 + \dots$ équation 4.1
This means that for every unit increase of a unit of supplier development increases performance by 0.207 units.

Table 4.11 Test for Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.163	.423		2.746	.007
	Supplier Development	.207	.060	.250	3.454	.001

Hypotheses Testing

Hypothesis was tested at 5% alpha level of significance. Testing of hypotheses was done through regression model where decision rule was that if the $p < 0.05$ the null hypothesis was rejected however, when $p > 0.05$ the study failed to reject the null hypothesis.

The Null Hypothesis H_{01} stated that supplier development does not significantly affect organizational performance at Kenya pipeline. But the study findings indicated that supplier

development has a positive and significant effect on organizational performance at Kenya pipeline ($t=3.454$, $P<0.05$). Hence the study findings rejected the null hypothesis and gave an implication that a unit change in supplier development has a positive change in organizational performance. Supplier technical support and supplier financial support has positive effect on buyer performance (Yegon & Lagat, 2015).

5.0 Summary of Findings; Conclusions and Recommendations

Summary of Findings

This section discusses the summary of effect of ethical procurement on organizational performance at Kenya pipeline. It was followed by effect of reduced whole life costing on organizational performance at Kenya pipeline, effect of supplier development on organizational performance at Kenya pipeline and effect of supplier commitment on organizational performance at Kenya pipeline

Effects of Supplier Development on Organizational Performance

The study findings indicated that supplier development has a positive and significant effect on organizational performance at Kenya pipeline. Hence the study findings rejected the null hypothesis and gave an implication that a unit change in supplier development has a positive change in organizational performance.

The findings also indicated that majority of the respondents strongly believe that supplier development has a positive effect on organizational performance at Kenya pipeline. This can therefore be concluded that Suppliers need to be trained on sustainable procurement and supported financially so as to procure materials which are environmentally friendly. The organization sets and communicates challenging performance goals to suppliers who are frequently assessed to improve on their performance by using competitive bidding. This implies that a well- designed supplier development program, ultimately leads to a better overall supplier relationships.

The study concluded that a well- designed supplier development program, ultimately leads to a better overall supplier relationships. The organization sets and communicates challenging performance goals to suppliers who are frequently assessed to improve on their performance by using competitive bidding.

Recommendations

The study recommended that procurement officers should uphold transparency to clients since Integrity is a necessity for them to earn trust and be accruable to all the transactions that have been carried out.

The further the study recommended that suppliers need to be trained on sustainable procurement and supported financially so as to procure materials which are environmentally friendly.

This study recommends the adoption of Stakeholder theory developed by Edward in 1984. This is because the theory explains how organization performance is measured by the satisfaction of at least one group of stakeholders (Juliana & Luiz, 2012). Stakeholder pressures and respective reputational and legal risks are usually seen as a key driver toward the implementation of standards and codes of conducts which are crucial for driving sustainability performance (Asif, 2013). Therefore attending to the needs of both direct and indirect stakeholders of the organization is a sure way of achieving high procurement and organization performance.

Suggestion for Future Researchers

The study recommends that future researchers should look on other factors such as green procurement in order to establish its effects on organizational performance. Also the same study should be done in other sectors in order to get a wide scope of the study which will benefit all sectors in the country

Conclusions

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